

**First
Security
Leasing Company**

May 30, 1987

Interstate Commerce Commission
12th & Constitution Avenue, N.W.
Washington, D.C. 20423
Attention: Mildred Lee - Room 2303

RECORDATION NO. 12243-A Filed 12th

JUN 16 1987 - 11 10 AM

INTERSTATE COMMERCE COMMISSION

Re: Assignment of Equipment Lease dated as of September 15, 1980 between Kennecott Corporation as lessee and First Security Leasing Company as lessor.

Dear Ms. Lee:

The purpose of this letter is to request the filing with your office of an assignment of the above-referenced Equipment Lease ("Lease") which was originally entered into on September 15, 1980 between Kennecott Corporation, a New York corporation, as lessee ("Kennecott, New York") and First Security Leasing Company as lessor ("First Security"). The company to which the Lease and all other assets of Kennecott, New York have been transferred is a newly formed company also known as Kennecott Corporation, a Delaware corporation ("Kennecott, Delaware"). Enclosed for your reference is a copy of the Assignment and Assumption Agreement entered into between Kennecott, New York and Kennecott, Delaware relating to this transaction.

The address for both Kennecott, New York and Kennecott, Delaware is 10 East South Temple, P. O. Box 11248, Salt Lake City, Utah 84147. A description of the equipment leased pursuant to the Lease is as follows:

7 General Motors EMD Model
GP39-2, 2,300 horsepower,
four axle diesel-electric
locomotives in accordance with
General Motors Locomotive
Specification 8075, as modified,
Road Numbers 705 through 711,
inclusive.

The Lease was recorded on September 30, 1980 and was assigned recordation numbers 12240, 12241, 12242 and 12243.

Thank you for your assistance with and attention to this matter. If you have any questions, please contact Ellen Toscano, Assistant Counsel for First Security, at (801) 350-3068.

Very truly yours,


C. S. Cummings
President

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INTERSTATE COMMERCE COMMISSION

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (hereinafter "Agreement") is made and entered into as of the 7th day of November, 1989 among Service Station Holdings, Inc. (formerly known as Kennecott Corporation), a Delaware corporation, (hereinafter "ASSIGNOR"), Kennecott Utah Copper Corporation (formerly known as Gazelle Corporation), a Delaware corporation, (hereinafter "ASSIGNEE"), First Security Leasing Company, a Utah corporation, (hereinafter "LESSOR") and First Security Bank of Idaho, a national association, (hereinafter "LENDER").

Section 1. Recitals.

A. On September 15, 1980, ASSIGNOR, as lessee, entered into an Equipment Lease ("Equipment Lease") with LESSOR, whereby LESSOR agreed to lease to ASSIGNOR and ASSIGNOR agreed to pay rental for certain equipment described therein (hereinafter the "Equipment").

B. In connection with the Equipment Lease, LESSOR, LENDER and ASSIGNOR entered into a Participation Agreement dated November 15, 1980 (which document, together with the Equipment Lease and all other documents related to the lease transaction described herein, shall hereinafter be collectively referred to as the "Lease Documents").

C. ASSIGNOR now desires to assign and delegate and ASSIGNEE desires to accept and assume all of the rights and obligations of the lessee under the Lease Documents and with respect to the Equipment.

Section 2. Assignment and Assumption.

ASSIGNOR hereby assigns and delegates to ASSIGNEE all of ASSIGNOR'S rights and obligations as lessee under the Lease Documents and with respect to the Equipment.

Section 3. Performance.

ASSIGNEE hereby accepts such assignment and delegation and agrees to abide by all the covenants and conditions and to perform all of the duties and obligations of the ASSIGNOR under the Lease Documents, including, but not limited to, the payment of all rental, sales, property or other taxes or other sums required as and when due. ASSIGNEE has read and understands the Lease Documents and agrees to be bound by all the terms and provisions of the Lease Documents as if originally executed and delivered by ASSIGNEE, and agrees that the Lease Documents shall be enforceable against ASSIGNEE as if originally executed and delivered by ASSIGNEE.

Section 4. Liability of ASSIGNOR.

ASSIGNOR is not released to any extent from its liability, obligations, covenants, representations and warranties to LESSOR and LENDER under the Lease Documents for the prompt and complete performance of all of the obligations and duties of the lessee under the Lease Documents. The liability of ASSIGNOR and ASSIGNEE under the Lease Documents shall be joint and several and, in the event of a default under the Lease Documents, LESSOR and LENDER may at their option proceed against ASSIGNOR or ASSIGNEE in whatever order they deem appropriate.

Section 5. Consent of LESSOR and LENDER.

In order to induce LESSOR and LENDER to execute this Agreement, LESSOR and LENDER have been provided with the following documents prior to such execution:

(a) A letter, substantially in the form of Exhibit A hereto, signed by ASSIGNOR and addressed to the Interstate Commerce Commission (hereinafter "ICC") instructing the ICC to record this Agreement.

(b) Copies of general corporate authorization of ASSIGNOR and ASSIGNEE which relate to, among other things, the assignment and assumption of the Lease Documents and any other instruments contemplated herein and with respect to the execution, delivery and performance thereof by ASSIGNOR and ASSIGNEE.

Section 6. Indemnification.

ASSIGNOR hereby agrees to indemnify LESSOR (on a net after-tax basis) for any increase in state or local taxes based on LESSOR'S net or gross income arising from the assignment of the Equipment, as provided in Section 14 of the Equipment Lease.

Section 7. Miscellaneous.

A. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Utah.

B. This Agreement shall be binding upon and inure to the benefit of each of the parties and their respective successors and assigns.

C. This Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed on behalf of them as of the date first written above.

ASSIGNOR: SERVICE STATION HOLDINGS, INC.

By: 

Its: Vice President

ASSIGNEE: KENNECOTT UTAH COPPER CORPORATION

Assignee's address 10 EAST SOUTH TEMPLE
SALT LAKE CITY, UT 84133

By:  *nmw*

Its: SENIOR VICE PRESIDENT

LESSOR: FIRST SECURITY LEASING COMPANY

By: 

Its: President

LENDER: FIRST SECURITY BANK OF IDAHO, N.A.

By: 

Its: Vice President